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NEWS RELEASE

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Charges Filed Against Utah County Men for 'Thanksgiving Point' Investment Scheme ***Investor lost \$100,000 based on false promises of 40% profits ...***

SALT LAKE CITY, Utah – Criminal charges were filed today alleging that two men took \$100,000 from an investor to use as an earnest money deposit on land to be purchased at Thanksgiving Point in Utah County. They gave the investor a promissory note for the \$100,000, promising to repay the investment plus \$40,000 in profit to be earned from the purchase of the property.

The charges were filed by the Utah County Prosecutor against Theodore L. Hansen of Provo and Charles W. Hanna of Springville, UT. The men were each charged with one count of securities fraud and one count of theft. According to the charging documents, the money was solicited by Hansen. Hanna signed the promissory note given to the investor. The money was paid by cashier's check, made out to their company – Royal American Real Estate Holdings, LLC.

The same day the investor gave money to Royal American, \$91,297 of the investor money allegedly was spent by Hansen and Hanna for purposes other than the real estate investment promised. Money was used to pay rent, for payroll, to fund other companies owned by Hansen and Hanna, and to make payments on other property owned by Hansen. Within two weeks, all the investor money had been spent. Six weeks after the \$100,000 investment was collected by Royal American, Royal American wrote a separate \$100,000 check to a real estate agent as earnest money for the purchase of a property. Because the investor money had been spent for other purposes, the earnest money check did not clear, and the real estate purchase was canceled.

The criminal charges allege that Hansen and Hanna engaged in fraud by falsely claiming that a large amount of money would be coming in from a legal settlement and telling the investor that the real estate investment was proceeding when, in fact, the money to be used for the earnest money deposit already had been spent on other purposes. The investor was not told of multiple unpaid tax liens and judgments against Hansen and Hanna including \$3,598,469 owed by Hansen for 11 tax liens, \$9,318,634 owed by Hansen as judgments in 20 different civil lawsuits, and \$5,325 owed by Hanna for a tax lien.

In June 2006, the Utah Division of Securities brought administrative proceedings against Royal American, Hansen, and Hanna, seeking a cease and desist order and \$220,000 in fines. The investor has been repaid \$23,811.12 on the promissory note.

Note: all defendants in criminal cases are presumed innocent until they have been found guilty at trial or have pleaded guilty as part of a plea agreement.